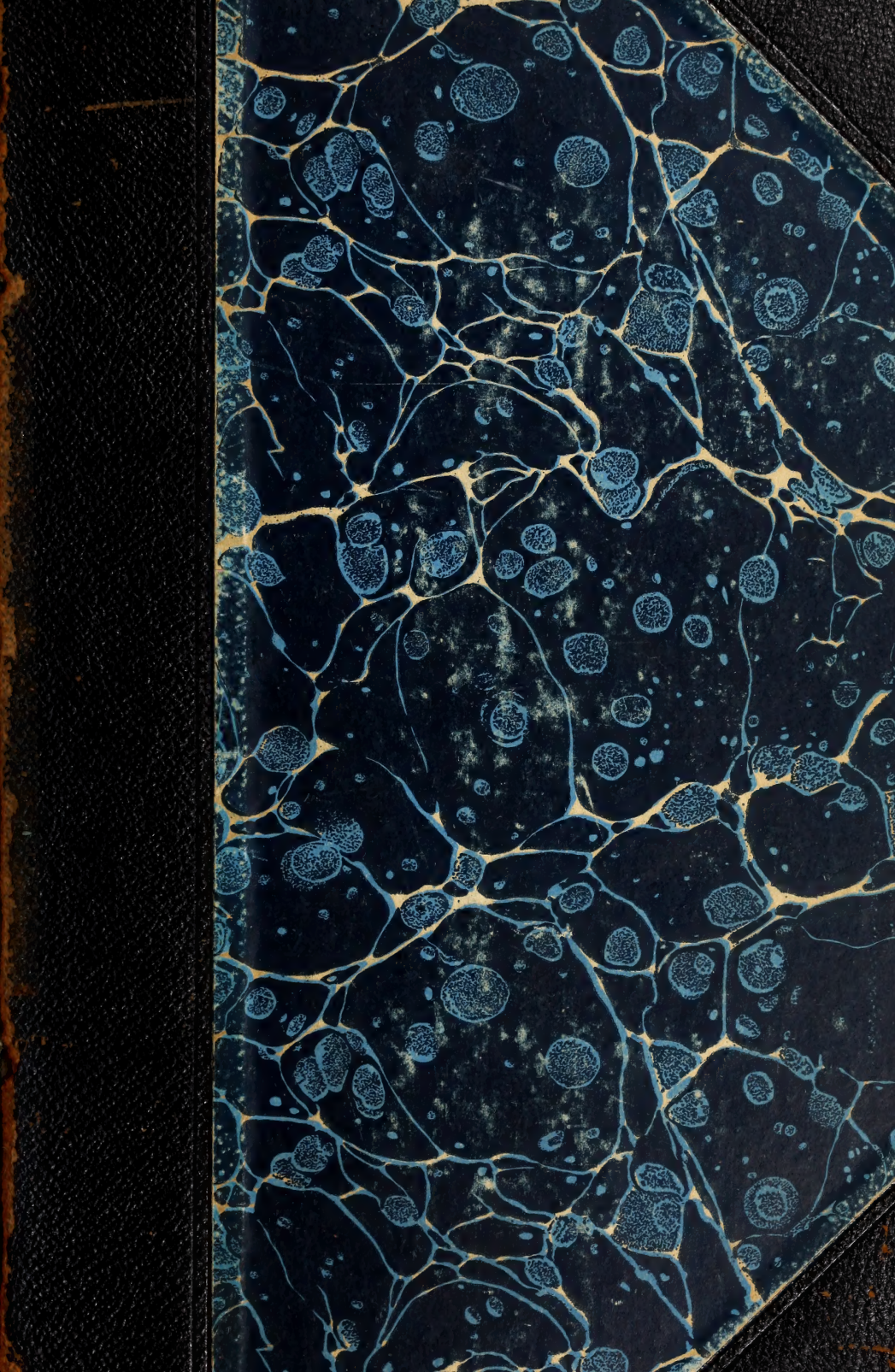

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OPEN TYPES OF PUBLIC MARKETS.

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INTRODUCTION.

There are several types of public markets in the United States for the sale of food products. Some farmers may and probably do sell through each of the types, but the typical "farmers' market" in most sections of the country is of the so-called open type, which is held either along street curbs or on tracts of ground especially set aside for market purposes. Markets of the latter type though protected by sheds are still considered open markets. In common usage the term "open market" refers to all markets other than those consisting of stalls, booths, or store spaces housed in buildings. The latter are most commonly referred to as "inclosed markets." In this bulletin the term "open markets" will be used as including "curb markets" and "shed-protected markets," and as practically synonymous with "farmers' markets" and "producers' markets."

A public market differs radically from a store, shop, or group of shops under one ownership. In such stores and shops the person owning or controlling the agency also owns and controls the goods sold. In public markets, on the other hand, the agency—that is, the market—and the actual selling of the goods are in different hands. A "market" in the sense meant in this publication is merely a place in which and a group of conditions under which sales may be made by numerous owners of goods. The market establishment, in other

words, merely furnishes facilities for sales, and when utilized constitutes a group of independent dealers.

Open public markets are the modern representatives of what were probably the first pieces of commercial machinery forged by man—the trading post, the bazaar, and the seasonal market fair. In Great Britain and Ireland public markets, developing from the market fairs, early came to occupy a position of importance in the distribution of agricultural produce, and it was only natural that the market ideas and practices of those countries should be brought over by British settlers, who made up a large part of the early population of this country. The survival to-day of names such as "Market Street" and "Market Square" in the cities of New England and those of other Atlantic Coast States bears testimony to the important part which public markets played in the early city life of the United States.

Since public markets are of primitive origin, and since present conditions of life are exceedingly complex, the question arises in some minds whether there is any place for such agencies in the modern distribution system. Public markets are certainly not ideal distribution agencies, but the same can be said truthfully about practically all distribution agencies in their existing forms. In regard to economic justification for public markets in the present day the investigations of the Bureau of Markets indicate that the following is the true situation. Taking into consideration practical alternative agencies, existing customs and prejudices among both producers and consumers, and the seeming innate individualism of many farmers, public markets of appropriate types often solve local distribution problems in regard to fresh produce better than other existing agencies.

The fact that thriving public markets exist in many cities and towns demonstrates that such agencies are still popular with a considerable number of producers and consumers who feel that public markets best meet their needs. Some farmers, especially those operating on a relatively small scale, are reluctant to surrender possession of their products for sale on commission or even to sell outright to wholesalers when they know that the products probably will be resold immediately for a higher price. The question of the trustworthiness of available agencies also enters at times, and farmers feeling any doubt on this score, whether or not their doubts be well grounded, naturally prefer to carry their products under their own control as far as practicable along the channels of distribution. Large scale producers, on the other hand, being in a better position to select satisfactory agencies and to obtain desirable terms from them, and appreciating better, perhaps, the possible time-saving value

of division of labor in distribution, are more likely to prefer commercial or "middlemen" distribution agencies to the more direct agencies such as public markets.

Some consumers in nearly every walk of life decidedly prefer to purchase the fresh produce which their families consume as nearly as possible directly from the producers. Such consumers usually prefer, if it is possible, to make their purchases at a public market rather than from producers who peddle from door to door, since it is possible in the former case to choose from a larger assortment and to consider comparative values. Similarly, as between individual shops and public markets, consumers who prefer to buy at the latter state that the markets afford greater opportunities for choice and for making a comparison of values, and that in general they feel that they obtain greater satisfaction for the money expended.

FUNCTION OF PUBLIC MARKETS.

From what has been said in regard to the economic justification of public markets it is apparent that their function is not to replace all other agencies in the distribution of fresh produce but only to supplement them where conditions are such as to make supplemental agencies desirable and their operation practicable. Diverse conditions are encountered in the production of food products, and a variety of forces and factors make up the demand for such supplies. It is natural, therefore, that in the machinery of distribution, which exists to meet the needs of both producers and consumers, there are various agencies. Public markets constitute merely one type of agency. Originally under simpler conditions of production and demand they were of great general importance; at present, under more complex conditions they are of relatively less importance; but they are of considerable importance, nevertheless, to large groups of producers and consumers in many localities, and under such circumstances may well be maintained to meet the needs of such groups.

Where the establishment of public markets is proposed, retail grocers often oppose the plan with the statement that an effort is being made to displace them as distributors of farm produce. As a matter of fact, the establishment of public markets seldom injures grocers and often builds up their trade in supplies bringing greater profit than farm products. If grocers realized that public markets are merely supplemental distribution agencies, and that because of the demand of many consumers for service, markets can not monopolize the trade in farm produce, much futile opposition to markets would be avoided.

From the point of view of the producer the function of public markets is to furnish an easily accessible place where there is a considerable demand for his goods and where at relatively slight ex-

pense he can personally conduct sales. A properly operated public market makes possible the free interaction of the forces of supply and demand and places the operation of such forces more or less under the observation of the producer, and so furnishes one of the best possible opportunities for arrival at a fair "market price." When producers peddle their wares from house to house or store to store their opportunities to judge the fairness of prices offered are obviously poorer than when they sell on a properly operated public market.

From the point of view of consumers who wish to patronize public markets their function, when properly operated, is to make available for choice larger quantities of fresher produce than can be found at ordinary stores, at lower prices, and in some cases under more satisfactory sanitary conditions. In addition to looking to markets to furnish lower prices themselves, consumers also see in such agencies a force which tends to bring about an indirect reduction of prices throughout the community by furnishing an active competition.

From the point of view of the community, properly operated public markets perform more fundamental functions in addition to those mentioned. By furnishing trustworthy outlets for miscellaneous food products they tend to encourage the farmers of the vicinity to produce more; they tend to help solve the city's problem of making available an adequate food supply at reasonable cost, so as to keep at home a greater proportion of the money spent by the citizens for food; and in general they tend to increase prosperity and improve living conditions, both in the city and in its immediate trade territory.

RETAIL AND WHOLESALE MARKETS.

Reference has been made to open markets as distinguished from inclosed markets. Such open markets may be for the purpose of sales at retail, at wholesale, or by both methods. On the other hand, inclosed public markets in the United States are almost always retail markets.

Open retail markets constitute the simplest and least expensively operated of all types of public markets. In its simplest form a market of this type may be merely a designated length of curb, a section of a broad street, or a vacant lot, where under slight supervision farmers may group their wagons and sell to consumers. In its highest development such a market may consist of a paved tract with raised walks covered with substantial sheds to protect teams, wares, buyers, and sellers from the weather. The sheds may even be of a type which in periods of inclement weather may, by the operation of rolling doors, be practically made into inclosed buildings. A few cities have erected sheds along street curbs for the pro-

tection of open markets, but for the most part curb markets are unprotected and sheds are constructed only in markets situated on special market tracts.

The essential feature of a retail market is, of course, the restriction of purchases to consumers as distinguished from dealers. Such a market, if it is a "producers' market," furnishes an opportunity for direct dealing between producers and consumers. Open retail markets may also admit hucksters or wagon and push-cart peddlers as salesmen. Such dealers are usually admitted under certain restrictions.

In a few large cities along certain street curbs open retail markets exist in which the salesmen are entirely nonproducers. For the most part, however, open retail markets are producers' markets or predominantly so.

Open wholesale markets, like the retail markets, may be situated along curbs, in the center of broad streets, or on special market property. Such markets exist for the convenience of producers of large quantities of farm produce who desire to sell in large quantities, and for the convenience of grocers, hucksters, hotels, restaurants, and other purchasers who desire to buy in large quantities. Wholesale markets, like the retail markets, may be unprotected or may be equipped with structures designed to facilitate trading.

While in many communities wholesale and retail public markets are maintained as separate institutions, in other communities combined wholesale and retail markets are operated. In some combination markets the two methods of trading proceed simultaneously, but in general it is considered the better practice to confine them to separate periods. In small communities where there is a danger that the small supplies available will be exhausted by wholesale purchasers, it sometimes becomes necessary, if the retail market is to be preserved, to have the earlier period devoted to retail trading. In larger cities, however, where neighboring production is more fully developed and where there is a more definite classification of large-scale and small-scale producers, the more normal arrangement is followed of setting aside the early morning hours for wholesale trading and the later morning hours for retail dealing.

OWNERSHIP AND CONTROL.

Open public markets may be further divided into subtypes on the basis of ownership and control. Open public markets of the several kinds already mentioned may thus be owned or controlled by municipalities, organizations or associations of producers, or commercial corporations.

The great majority of the open public markets in the United States are municipally owned. This would seem to indicate that

many municipalities recognize, whether consciously or unconsciously, the potential value of such markets to the community. In colonial times, when the villages and towns were intimately connected with the surrounding agricultural country and when their dependence on the farmers was more obvious than to-day, public markets were established as municipal institutions as a matter of course, and markets under any sort of private ownership were practically unknown. For the most part the few open markets under control of producers or other private persons or associations that exist to-day have been established where economic conditions made such agencies desirable but where municipalities failed to realize their obligations and opportunities indirectly to facilitate food production and distribution, or where, not content to have their public markets self-supporting, they sought to operate them as money-making enterprises.

Best practice among municipalities shows the proper conception of municipal public markets to be that they are agencies for facilitating and cheapening distribution, both directly and indirectly, and so benefiting both producers and consumers. Where this essential nature of municipal markets is recognized they are operated so as to produce an income that will meet all legitimate charges, including operating expenses, interest on investment, and proper sinking-fund charges, and no more. If small fees will bring in sufficient revenue to meet the legitimate charges referred to, such fees are charged. The difference between them and possible maximum rental returns is considered by the municipality as dividends to producers and consumers, appearing roughly in the former case as increases over prices offered to farmers by commercial agencies, and in the latter case as reductions under existing prices in stores or under higher prices that probably would prevail in such stores if the municipal markets did not exist. Municipalities fully awake to the real functions of a municipal market, seek, of course, through their methods of operation, to see to it that the difference between fees charged and possible maximum fees will not be absorbed wholly by sellers, with the result that there would be no savings to consumers. Every effort should be put forth to make the market function both as a direct source of good food products at somewhat reduced prices and as a city-wide governor of food prices. It would seem very difficult to justify the existence of municipal markets which are operated with little or no thought of stimulating production and facilitating distribution, or are operated frankly as mechanisms through which to collect additional taxes.

Where producers have felt the need of public markets, but have been unable to induce municipalities to operate such agencies properly or at all, they have in some instances organized and operated

markets of their own. Such markets may be operated by ordinary corporations, joint-stock companies, or nonprofit or cooperative associations. In practically all respects except ownership, producer-owned markets are comparable to the better municipal markets. They furnish, for the most part for a reasonable fee, the location and facilities for marketing and general supervision over operations, leaving the actual sales to the individual producers. In a few instances such producer-owned markets have assisted in the development of growers' exchanges which take care of sales for their members. The latter agencies, however, are obviously vitally different from public markets.

Open markets under the ownership and control of private persons or corporations composed of other than producers are in most cases frankly operated as commercial money-making enterprises. Only a few such markets exist, usually in cities in which neither the municipality nor the producers have established public markets or where existing public markets are inconveniently located, poorly operated, or are otherwise unsatisfactory. The fees charged for the use of space on privately owned commercial markets are naturally higher in most cases than fees on municipal or producer owned markets.

ESSENTIAL CONDITIONS FOR SUCCESSFUL OPEN MARKET.

Open public markets, especially the simpler kinds, are capable of more general establishment than inclosed markets. It can not be emphasized too strongly, however, that even the simplest type of market can not be established successfully in a haphazard way under chance circumstances. There are certain essential conditions, mostly economic, that must exist before a public market can be a success, and enthusiasm alone or a mere desire, however laudable and earnest, to reduce living costs will not take the place of such necessary conditions. Numerous communities have learned this lesson by bitter experience. Wherever successful public markets exist they have, consciously or unconsciously, been established and maintained in accordance with the essential conditions referred to.

In the first place the size of the city or town must be taken into consideration in relation to the type and kind of market proposed. Villages may be too small and cities too large for open public markets. In the former case the community is likely to be in close touch with the surrounding farming country, so that much produce is sold directly from farm to home. Many residents of villages also own neighboring farms and obtain supplies from them, and the custom of maintaining commodious home gardens is much commoner in villages than in larger towns. There is, therefore, in most small villages an insufficient demand to support even the simplest type of open market.

In very large cities, on the other hand, an active demand for open markets may exist in the congested sections, but the furnishing of the necessary supplies to such sections may be impracticable. Open farmers' markets are thus out of the question in certain sections of very large cities, because the areas of production are so far from those sections that it is unremunerative for farmers to haul their wares there. If such sections are to be provided with open markets, they must be markets of hucksters and pushcart vendors. It may be mentioned in passing that such congested sections of cities as those referred to above are often admirable locations for inclosed middleman markets.

Exceptions will exist, but in general even the simplest type of open retail market along a street curb can not be expected to succeed in towns of less than 10,000 to 12,000 population. It will usually be unwise to establish a substantial open retail market on a market tract in cities of less than 25,000 or 30,000 population unless the signal success of a curb market demonstrates that the situation is exceptionally favorable. Wholesale markets, even when combined with retail markets, are seldom found in cities of less than 40,000 population unless they are maintained largely for sales to outside buyers for shipment. The best developed wholesale markets are found in cities of well over 50,000 population, and it is also in the cities from this size upward that the most thriving open retail markets are found.

The size of a city alone, however, is only a rough indication of the practicability of establishing a certain type of market. A more accurate index is the probable number of people who can be depended upon to patronize the market. The proportion of a population which represents potential market customers will vary with nationality, local customs and prejudices, climatic conditions, and the like. It often happens, therefore, that a public market in one city receives heavier patronage than a similar market in a somewhat larger city. In estimating the number of potential customers of a public market consideration must be given also to existing agencies such as "green groceries," hucksters, and other agencies concerned in the distribution of farm products, and to what extent such agencies meet the needs of consumers.

Of equally fundamental importance with the subject of demand in determining the practicability of a public market is the matter of the supply and potential supply of products to be handled in the market. Obviously these two essential factors—demand and supply—must be in proper relationship before a successful market can be created. Open markets have to do primarily with supplies of produce originating within hauling distance. Where little or no good farming land

exists near a city or where the neighboring lands have not been devoted to any great extent to the production of foodstuffs, conditions are unfavorable for the immediate establishment of an open public market of any considerable size. The concentration of available supplies, however, and the admission of hucksters selling shipped-in products will often make possible the creation of a small curb market. Such a market, if intelligently operated, will stimulate additional production by demonstrating that near-by production is remunerative; and the increased production will in turn make a larger market feasible.

A proper location for the market, determined with reference to economic conditions, is essential to its success. Errors of location are probably the most common errors made in establishing public markets. Ease of accessibility to the greatest possible number of producers and consumers is the central consideration in determining location. The essential truth of this principle is evidently not so easily grasped as might be supposed, however, and all too often markets are situated at a given point merely because a certain lot happens to be vacant or because an available site is in a certain ward. A market located in such a haphazard fashion usually demonstrates the importance of location by becoming a hopeless failure.

The importance of market facilities varies in relation to the type of market under consideration as well as in relation to certain local factors. In temperate climates curb markets with practically no special equipment may be entirely satisfactory. In hot regions some sort of protection from the sun becomes desirable, and in most regions protection from rain is necessary. Markets on special market property should be paved and raised curbs against which vehicles may be parked should be provided. On markets of considerable size restrooms and comfort stations are a real necessity. On many public markets appropriate rooms are provided and leased for use as restaurants in order that the patrons of the markets may obtain meals with little loss of time.

In addition to the economic and physical conditions essential to the success of open public markets the matter of management and methods of operation is of great importance. Markets with practically all other conditions for success present are in many cases prevented from realizing more than a partial success because of the unintelligent manner in which they are operated and managed. A market, the existence of which is justified by economic conditions, is capable of being an institution of great importance to the community, and it should be placed in charge of a manager with ability to bring out its full possibilities. The placing of market establishments—often in effect business enterprises representing investments

of hundreds of thousands of dollars—in the hands of poorly paid and incompetent managers can not be too strongly condemned as a short-sighted and wasteful policy.

ESTABLISHMENT OF A MARKET.

When a community, or an organization in a community, desires to establish an open public market, the first step should be the making of a thorough survey to determine whether local conditions are favorable for a market.

A suggestion in topical form of the data that usually are found useful in reaching a determination as to the feasibility of establishing an open public market follows:

Approximate number of each of various types of existing agencies (wholesale and retail) distributing farm produce and their relative importance.

Buying habits of consumers. (Whether food purchases are predominantly on credit or for cash, to what extent delivery is demanded, etc.)

Sentiment of important organizations in regard to the need for a market.

Agricultural conditions in relation to immediate and potential supply of products, in hauling distance of the city, to be sold through the market.

Sentiment among producers in regard to the need for a market.

Grouping of city's population. (Main residence districts, racial districts if marked, etc.)

Location of street railway lines.

Location of main business zone.

Location of most important subordinate business centers.

With the data enumerated available it should be a relatively simple matter to reach an intelligent decision as to whether an open public market should be established; and if so, the type which will best meet local conditions. Unless the existence of both a reasonable supply of local produce and a demand for it is shown, and in addition a desire for a market on the part of a considerable number of consumers and producers, the chances for the success of a market are slight.

If a market seems feasible but only a slight interest is manifested in it or only a small supply of produce is available, the simplest type of curb or vacant lot market only should be established, with a view to the development of a better market or a system of markets later. In relatively small cities, or wherever there is any doubt as to the market being properly supported, it is always safest to begin with a simple type of market, in large measure as a demonstration project. Such beginnings have often led to substantial and healthy

market developments. Practically no financial risk is involved when curb markets are established, and if an error is made in location the market can easily be transferred to another site. When, through the success and growth of a curb market, the existence of proper conditions to assure continued success is demonstrated, investment in permanent market equipment at or very near the site can be made with confidence.

If a survey indicates conclusively that conditions are favorable for an open market of considerable proportions, it may be advisable immediately to establish such a market on a market tract within the property lines. Cities should; however, be literally sure of their ground before making substantial investments for market sites. It will sometimes be possible even where a more permanent type of market is to be opened to lease the ground until the feasibility of a market at that location is tested. If a lease may be obtained with privilege to buy later at a specified figure, thus protecting the municipality from being charged for increases in value which it may itself create through the market, such arrangements should be made.

The products which it is desired to have sold on a market may influence the selection of the type of market; and conversely, the selection of a certain type and kind of market will determine the products which should be handled. If it is desired that fresh meats, milk, and other dairy products, delicatessen preparations, baked goods, and similar foods be sold on the market, an open type should not be selected. Best market practice throughout the country recognizes that open markets on which products are necessarily exposed to a certain extent to sun, wind, and rain, to flying dust, germs, and spores, and to flies and other insects, can not be operated so as to insure the clean handling and sanitation that the foods enumerated demand. In many communities the municipal ordinances relating to public health forbid the exposure of such foods for sale on open markets. In some communities efforts have been made to broaden the scope of open markets by permitting the sale of certain meats and other highly perishable and easily contaminated foods if they are kept in removable screened booths. Such practices only slightly minimize the undesirable features of handling such foods in the open, however, and can not be recommended. Considerations of health and sanitation demand that such foods be sold only in properly equipped shops where conditions of cleanliness can be maintained, and where the establishment of an inclosed market is not economically justified the handling of such foods had better be left to private shops operating under proper sanitary regulations.

If any sort of compromise is necessary in regard to handling meats and similar foods on open markets, it can best be made on a seasonal basis. Thus, in the winter season there may be little objection in

certain parts of the country to the handling of fresh meats and dressed poultry on open markets, especially if sales are confined in the case of meats to pieces of considerable size cut before they are brought to market. If an open market is to be devoted to any considerable extent to the sale of the more perishable farm products, it will be advisable to locate it on special market property, since sanitation can be controlled more satisfactorily under such circumstances than when the market is conducted in a street or along curbs.

Products that may be sold satisfactorily on open markets under ordinary conditions include fresh fruits and vegetables, eggs, live poultry and rabbits, plants, flowers, herbs, canned goods, packaged butter, and cheese. Fruits and vegetables make up the bulk of the products handled on open markets.

In determining the nature of the market to be established the scope in regard to the classes of salesmen permitted on the market should be given consideration. From this point of view open markets are broadly either strictly "producers'" or "farmers' markets," on the one hand, or "producers' and hucksters' markets" on the other. In a very few cases exclusive "hucksters' markets" exist. In some communities it has been felt that complications that might result or evils that might grow from permitting commercial peddlers on the market with producers would more than overbalance any advantages owing to a broadening of the market. This is undoubtedly true if no restrictions are placed on the admission of commercial peddlers, but many communities have found it decidedly advantageous to permit such peddlers or hucksters on the market under proper regulations. The advantage of having hucksters on the market is that they add tropical fruits and other shipped-in products to the otherwise relatively meager assortment which local products alone provide, especially during certain seasons.

The problem of the admission of hucksters often can be satisfactorily solved by permitting them only on a separate section of the market, labeled "Hucksters." As a further restriction only licensed peddlers may be admitted and they may be compelled to exhibit their license tags conspicuously. The matter is sometimes approached from another direction by supplying all bona fide producers with signs reading "Producer." These steps are taken on the theory that consumers have a right to know with what class of vendor they are dealing.

The choice of a site for an open public market should be determined after the type and kind of market to be established have been decided on. In general it may be said that other conditions being favorable a retail market should be placed as near as practicable to the retail shopping district or to important subordinate retail business districts, while a wholesale market should be situated as near as

practicable to the established commercial center for wholesale dealing in fresh produce.

If a curb or street market is to be established a broad well-paved street should be chosen, if properly located. A market tract should be practically level but well drained. If the tract can not be paved immediately soils which form mud readily should be avoided. Considerations of topography and soil, however, can be remedied without great difficulty and should be given much less weight than the economic considerations determining location.

FIG. 1.—Simple retail market without structures in small town. Produce is sold from wagons and from baskets and sacks on the curb.

Many street and curb markets are practically without equipment, sales being made from wagons or from baskets and other containers set on the edges of sidewalks. (See fig. 1.) On some curb markets the municipality furnishes small movable booths or tables which are set up on the walks on market days, while on other markets such equipment is furnished by the producers and other vendors and is removed by them when the markets are closed.

On a number of curb markets especially in the South and Southwest, removable frames and awnings or large umbrellas are used to protect the sellers and their wares. In at least one case, in a large western city, permanent steel sheds have been constructed along the portion of a business street devoted to a curb market.

Where it is possible in locating a curb market to select a satisfactory site, insofar as other considerations are concerned, on one of several types of pavement, a smooth hard type such as concrete should be chosen in preference to cobblestone. It is difficult even with repeated flushings to keep rough cobble surface in a sanitary condition. Asphalt pavements are also preferable to cobblestone in the cooler sections of the United States, but in the warmer sections such pavements soften and may be seriously injured by stamping horses. Where only temporary or inexpensive improvements are to be made on special market sites a gravel or cinder surface often will give fair satisfaction.

The kinds of structures used for shelter on open public markets in the United States vary from simple sheds, barely wide enough to

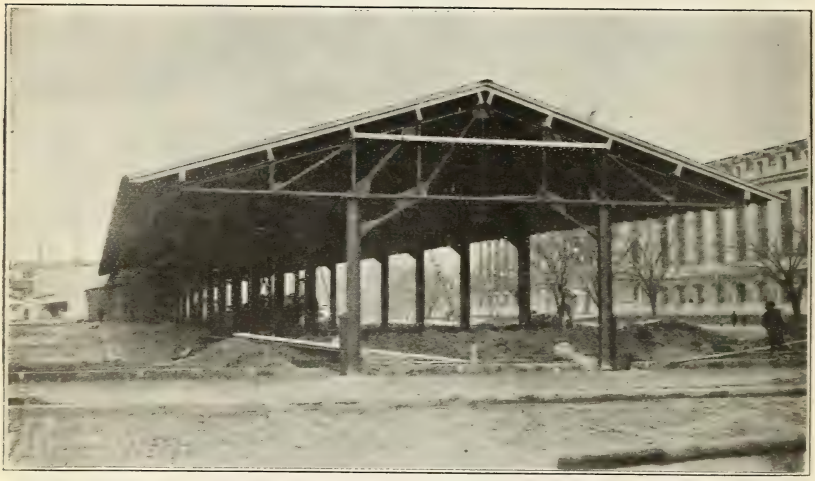

FIG. 2.—End view of good type of double overhanging market shed showing steel construction. This shed is used on a wholesale market but is better suited to a retail market.

cover a single wagon, to broad structures roofing the entire market tract. Very narrow sheds are seldom satisfactory. One of the most popular types of shed is centered over a walk with curbs 8 to 12 inches high the shed having sufficient overhang to protect vehicles on both sides of the walk, backed against the curbs. Such a type of shed, built from structural steel, is shown in figures 2 and 3. Sheds of this type may also be constructed of timber or concrete.

The type of structure which may be used in units to cover completely the market tract is shown in figure 4. Of course, such structures are more costly than the simpler types of sheds. The wider sheds are not needed on open retail markets except perhaps those in large cities, but may be very useful for wholesale markets especially where such markets do an important business throughout the year.

The investment of the relatively large amounts of money needed to erect such structures would hardly seem to be justified except on markets already well established and giving promise of a thriving future. Where open retail markets of considerable size have thoroughly demonstrated their stability and importance and especially where the market's activities are important even during the winter season, it may be worth while even to build a shelter that makes possible when desired the temporary conversion of the open market into an inclosed market. Such a structure may be a shed of any one of the several designs illustrated having an overhang sufficient to cover entirely vehicles and teams, and provided with doors which are easily removable.

FIG. 3.—Market plot developed by a series of parallel shed units. Some of these units are used for wholesale transactions, some for retail trade.

Proper financing is essential to the full success of a market, whether it be under the ownership of a municipality, an association, or a corporation.

In most cases in which markets have failed or are of slight value, poor methods of financing are found to be contributing factors. The most common error in the case of municipal markets is to turn all receipts into the general treasury of the city and to pay all expenses by special appropriations, thus obscuring the relationship between income and outgo. Best practice among successful markets seems to favor the creation of a market fund into which are deposited all market receipts and from which are paid all market expenses. Fees should be fixed so that they conform as nearly as practicable to the relative values of the different spaces and so that the aggregate income will be sufficient to pay all expenses, including depreciation and

interest on investment. It is often possible to obtain for market spaces rentals high enough to create a considerable surplus over expenses, but municipalities should not yield to the temptation to utilize their markets as producers of surplus revenue. Obviously the charging of higher rentals adds to the expense of operation by those doing business in the markets and makes it more difficult for the markets to fulfill their primary function—that is, to reduce the expense of food distribution and so to make possible the charging of relatively low prices for the products handled.

In establishing a new market it is important that preliminary work be done by the agencies interested in making it a success in order that the interest of both producers and consumers be awakened. If

FIG. 4.—Wholesale market completely covered by sheds. The wider roof sections cover spaces for trucks and wagons and teams; the narrower sections cover platforms for unloading.

such work is neglected there is strong likelihood that there will be a lack of proper balance between supply and demand. If producers bring their wares on the opening day and find an insufficient number of consumers to absorb the supply they are likely to become discouraged and to spread pessimistic reports of the new enterprise to other producers. Similarly, if a large number of consumers attend the opening of the market and find a meager supply of produce, conditions will again be unfavorable for the rapid development of the new enterprise. In carrying on campaigns to popularize proposed markets it has been found that personal work, such as visits to leading farmers and the making of talks to associations of producers in the country, is of much greater value than circularization or other indirect methods. Among consumers it will be found valuable to interest

women's clubs, labor organizations, and similar agencies. The cooperation of the press should also be obtained. The economics of the market enterprise should be frankly discussed with grocers' organizations, chambers of commerce, and boards of trade in an effort to show that the establishment of the market will be beneficial to all classes of the community.

If the market is to be established under municipal auspices, it will be necessary that an appropriate ordinance be adopted unless one exists on the statute books. The agencies seeking to bring about the establishment of a market should obtain adequate legal assistance in the drafting of an ordinance to meet local conditions and needs.[1]

If the market is to be under private operation it will probably be necessary or desirable to form a corporation. Competent legal advice should be obtained.

OPERATION OF A MARKET.

The importance of intelligent management of a market has been indicated. The mistake should not be made of obtaining the services of a mere caretaker. The success or failure of a market will depend as much on whether an efficient or an inefficient manager is placed in charge as on any other factor. An effort should be made to employ as manager a man familiar with the merchandising of food products, who understands and is in sympathy with the functions of a public market, and who can be depended upon to do all in his power to make the enterprise a success.

A certain amount of bookkeeping will be necessary even on the smallest market of the simplest type. A system of tickets, receipts, and stubs can be devised, however, which will greatly simplify such work. The names and addresses of producers who rent reserved space, together with the numbers of their stalls, should be kept on file in the manager's office.

On some of the larger municipal markets a staff of assistants has been developed under the supervision of the market management through which is collected each day information in regard to prevailing prices and quantities of the several products on the market and other market data. This information is incorporated into a daily bulletin which is mailed for a small subscripton price to farmers, dealers, and other interested parties. It is also made available to the local press.

[1] A full suggestive ordinance from which provisions may be selected to meet the needs of most municipalities has been published by the United States Department of Agriculture as Service and Regulatory Announcement (Markets) 69. A copy will be sent on application to the Bureau of Markets and Crop Estimates, Washington, D. C.

SUMMARY.

Public markets are not agencies to replace other means of distribution of farm produce. They are supplementary agencies to aid, under favorable conditions, in efficient distribution. It should not be assumed that such markets will be successful under all conditions and in all localities. Definite economic conditions must exist in a community before it is advisable to establish a public market there. Before steps are taken actually to establish a public market in a community there should be a careful stock taking of local conditions to determine whether the opening of a market is advisable, and if so, in what form the institution should be cast so as best to meet local needs. In the case of a municipally owned market an ordinance should be carefully drawn embodying the conclusions that have been reached. Such an ordinance should be as simple as the conditions to be met will permit. The final and one of the crucial factors in determining the degree of success of a market is management. The general administration of the enterprise should be placed in the hands of a city department or a special board selected because of its fitness to cope with the problems which a market faces. Above all things, the direct operation of the market should be entrusted to a capable and experienced manager.

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